



Department of Justice

FOR IMMEDIATE RELEASE
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**NEW YORK MAN CHARGED WITH TAX EVASION FOR HIS ROLE
IN BID RIGGING CONSPIRACY AGAINST PHILIP MORRIS**

WASHINGTON, D.C. -- A Long Island, New York, businessman was charged today with tax evasion for failing to report \$58,000 in commissions he received to pay kickbacks to purchasing agents at Philip Morris Inc.

The case is part of the Department of Justice's ongoing antitrust investigation of bid rigging, commercial bribery and tax-related offenses in the display industry.

The Department's case, filed in U.S. District Court in New York City, charged Robert Berger of Melville, New York, with willfully attempting to evade income tax by failing to report income he generated by issuing false invoices from his businesses to a number of other companies and then, after the invoices were paid, returning the proceeds, less his commission, to the companies that received the invoices, or to other individuals.

Berger issued false invoices and returned cash to several companies including AM-PM Sales Co. Inc., whose principals, Richard T. Billies and Sidney Rothenberg, pleaded guilty to bid

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rigging and tax fraud in a related case filed Thursday, October 20.

These cases follow another related case filed earlier this year against Louis T. Cappelli, a former purchasing agent at Philip Morris. The investigation was prompted originally by Philip Morris, which is cooperating.

Assistant Attorney General Anne K. Bingaman of the Antitrust Division said the investigation is being conducted by the Antitrust Division's New York field office with the assistance of the Federal Bureau of Investigation and the Internal Revenue Service.

To date, four individuals and one corporation have pleaded guilty to various federal charges as a result of the Division's display industry investigation. Anyone with information concerning bid rigging, bribery or fraud in the display industry may contact the New York Division of the FBI at (212) 264-2700.

The maximum penalty for an individual convicted of an attempt to evade income tax (26 U.S.C. § 7201) is five years in prison and a fine not to exceed the greatest of \$250,000, twice the pecuniary gain derived from the crime or twice the pecuniary loss to the victims, together with the costs of the prosecution.

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